City of Washington, Arkansas

Financial and Compliance Report

December 31, 2025

LEGISLATIVE JOINT AUDITING COMMITTEE

CITY OF WASHINGTON, ARKANSAS
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City of Washington, Arkansas Officials and Council Members
Legislative Joint Auditing Committee

A priority of Arkansas Legislative Audit is to assist local government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of local governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to cash basis financial information and compliance with certain state laws and accepted accounting practices for the City of Washington, Arkansas, as of and for the year ended December 31, 2025, and have issued our report thereon dated August 17, 2026. These procedures were not performed for the Water Department. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The finding contained in this section relates to the following officials who held office during 2025:

Mayor: Paul Henley
Recorder/Treasurer: Catherine Rowe

We evaluated the City's compliance with certain state laws concerning general and district court accounting, budgeting, purchasing, and investing and depositing of public funds.

Noncompliance with state law and accepted accounting practices was noted in the office of **Recorder/Treasurer**.

Recorder/Treasurer:

The City paid $711 for a credit card charge without supporting documentation, in noncompliance with Ark. Code Ann. § 14-59-105. Subsequent to our review, the City determined the charge was in error and received a refund.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local City government, state executive and oversight management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
August 17, 2026
LOM219125

CITY OF WASHINGTON, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2025	$ 15,582	$ 89,831
Receipts:		
State aid	1,397	48,843
Property taxes	8,013	2,410
Franchise fees	3,069	
Sales taxes	18,407	43,589
Interest	44	144
Rent	7,150	
Sale of equipment		1,750
Fire dues		6,535
Donations		15,075
Other		3,196
Total Receipts	38,080	121,542
Disbursements:		
General government	10,633	1,792
Law enforcement	4,350	
Highways and streets		52,038
Public safety		41,639
Sanitation	18,407	
Recreation and culture		11,618
Contribution to water department		9,251
Debt service		4,998
Total Disbursements	33,390	121,336
Cash Balance, December 31, 2025	$ 20,272	$ 90,037

CITY OF WASHINGTON, ARKANSAS
COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

Schedule 2

	Street	Fire Protection Act 833	Volunteer Fire Department	Capital Improvement	Tourist Promotion	Total
Cash Balance, January 1, 2025	$ 14,798	$ 19,077	$ 3,427	$ 37,823	$ 14,706	$ 89,831
Receipts:						
State aid	7,943	25,900		15,000		48,843
Property taxes	2,410					2,410
Sales taxes				33,666	9,923	43,589
Interest	58	24	15	47		144
Sale of equipment				1,750		1,750
Fire dues			6,535			6,535
Donations			15,075			15,075
Other	192	4	2,832		168	3,196
Total Receipts	10,603	25,928	24,457	50,463	10,091	121,542
Disbursements:						
General government				1,792		1,792
Highways and streets	11,453			40,585		52,038
Public safety		13,218	19,367	9,054		41,639
Recreation and culture					11,618	11,618
Contribution to water department				9,251		9,251
Debt service		4,998				4,998
Total Disbursements	11,453	18,216	19,367	60,682	11,618	121,336
Cash Balance, December 31, 2025	$ 13,948	$ 26,789	$ 8,517	$ 27,604	$ 13,179	$ 90,037

CITY OF WASHINGTON, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.

2. The Municipality's capital assets records are summarized below:

	December 31, 2025
Land	$ 38,000
Buildings	458,516
Equipment	296,238
Total	$ 792,754

3. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2025
Financed purchases	$ 6,254